



## **Enhanced 911 Communications Wireline E911 Funding vs. Wireless E911 Funding**

Enhanced 911 or E911 provides the user the ability to reach a public safety answering point (PSAP) by dialing the digits 911. The 911 call is routed to the appropriate PSAP which automatically provides voice, displays the name, address or location of the call, and the telephone number of the incoming 911 call and public safety agency servicing the location. The E911 emergency telephone communication system is intended to protect the health, safety, and welfare of Iowans by providing orderly development, installation, and operation of E911 emergency telephone communication systems statewide. The PSAP is a 24-hour public safety communications facility that receives 911 calls and directly dispatches emergency response services or relays calls to the appropriate public or private safety agency. There are currently 117 PSAPs in Iowa. The administrator of the Homeland Security and Emergency Management Division of the Department of Public Defense appoints the E911 Program Manager who, in consultation with the E911 Communications Council, performs the duties set forth in Code Chapter 34A.

### **Wireline E911**

The E911 Program was created under the Homeland Security and Emergency Management Division during the 1988 Legislative Session. The law required each county to establish a joint E911 service board maintained by the county Board of Supervisors. Each board was responsible for developing a countywide E911 plan, detailing the manner and cost for the implementation of an E911 system. The Homeland Security and Emergency Management Division reviewed and approved the E911 service plans for all 99 counties. Service plans include a description of the service area, a list of all public and private safety agencies (such as a private ambulance service) within the E911 service area, the number of PSAPs within the service area, and the agency responsible for management and supervision of the E911 communication system.

In order to implement service, the joint E911 service board must fund the recurring and nonrecurring costs of the system with an E911 surcharge on each telephone access line within the E911 service area. In order to impose the surcharge, a referendum must be passed by a simple majority of the voters within the service area. The amount of the surcharge to be placed on the referendum is determined by a formula, established in law, and can vary from \$0.25 to \$2.50 per month, per telephone access line (Code Section 34A.6A). The \$2.50 can only be in place for 24 months, after which time the surcharge would revert to the original surcharge being collected. All increases beyond \$1.00 require a voter referendum for each 24-month period. Each telephone service provider remits collected surcharge funds directly to the respective joint E911 service board on a calendar quarterly basis. As of December 31, 2010, surcharge was being collected by the service boards at the following rates:

Surcharge = \$1.00	81 counties
Surcharge < \$1.00	15 counties
Surcharge > \$1.00	2 counties
Surcharge = \$0.00	1 county

The Scott County surcharge is \$0.00. Since 2004, only three counties have exceeded the \$1.00 surcharge amount. From 2004 to present, the Washington County surcharge has been \$1.50. From 2006 through 2009 Mitchell County's surcharge was \$2.50 and currently, it is \$1.00. Beginning in FY 2010, Shelby County's surcharge was \$2.50.

Money from the wireline surcharge is used for recurring and nonrecurring costs to the system. Nonrecurring costs include, but are not limited to, network equipment for the public safety answering points, software, database, addressing, initial training, and other capital and start-up expenditures, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider. Recurring costs include, but are not limited to, network access fees and other telephone charges, software, equipment, and database management, and maintenance, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider. Recurring costs cannot be used for personnel. Personnel costs are paid from county or city funds, depending on the PSAP.

### **More Information**

Homeland Security and Emergency Management Division: <http://www.iowahomelandsecurity.org/>  
Iowa General Assembly: <http://www.legis.iowa.gov/index.aspx>

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The funds are deposited in an E911 Service Fund within each county and are appropriated for the payment of costs that are limited to nonrecurring and recurring costs directly attributable to the provision of 911 emergency telephone communication services and may include costs for portable and vehicle radios, communication towers and associated equipment, and other radios and associated equipment permanently located at the PSAP and as directed by either the joint E911 service board or the Department of Public Safety. If the carryover operating surplus in the Fund is greater than 25.0% of the approved annual operating budget for the next year, the E911 Program Manager will reduce the surcharge by an amount no more than 25.0% of the planned annual operating budget for the next year. Upon application from the joint E911 service board, the E911 Program Manager can increase the surcharge after nonrecurring costs are paid, if the amount of the surplus is less than 25.0% of the approved operating budget. The surcharge can only be adjusted once in a single year with 100 days' notice to the provider. Per Code Section 34A.20, the E911 service boards have the ability to bond through the Iowa Finance Authority for recurring and nonrecurring costs for the E911 service areas.

### **Wireless E911**

The \$0.50 per phone, per month, E911 wireless surcharge began on January 1, 1999. The surcharge was amended to \$0.65 per phone, per month on July 1, 2004. There are approximately 2.2 million cell phone subscribers in Iowa. The average quarterly amount generated is \$4.2 million. This surcharge is collected by the wireless service providers and remitted to the State E911 program on a quarterly basis. The funds are used for the development and on-going operation of the wireless E911 phone network. By law, the surcharge is expended quarterly in the following order:

- \$50,000 per calendar quarter to fund salaries for 2.0 FTE positions and authorizes the State Auditor to perform an annual audit of the Program.
- Allocates a reimbursement to wireless carriers for Phase 1 cost recovery up to 21.0% of the collected funds (call-back number and tower location of call).
- Allocates a reimbursement for actual wireline transport costs for local carriers.
- Allocates a reimbursement for actual automated location information for the 911 database and routing charges for local carriers.
- Allocates 25.0% of the collected funds to the PSAPs. The distribution of funds is based on a formula: 65.0% of the total is based on the square mileage of the local 911 service area and 35.0% of the total is based on the volume of the wireless E911 calls that the PSAPs receive with a minimum of \$1,000 per PSAP, per calendar quarter.
- The remainder is deposited in a nonreversionary fund to be used for future work on the Phase 2 network as well as PSAP upgrades and improvements. The current wireless E911 System cannot deliver text messages, video, or photographs to the PSAPs. Approximately \$8.9 million is in the Carryforward Fund to be used for recurring and nonrecurring costs at the PSAPs associated with hardware and software for the new Next Generation 911 (NG911) Program to allow the implementation of NG911 under the current \$0.65 per phone, per month fee structure.

The funds allocated to the PSAPs under the formula are to be used for communication equipment located inside the PSAP for implementation and maintenance of wireless E911 Phase 2. If money remains in the fund after fully paying all obligations, the remainder may be accumulated in the fund as a carryover operating surplus. The surplus will be used to fund future Phase 2 network and public safety answering point improvements and wireless carriers' transport costs related to wireless E911 services, if those costs are not otherwise recovered by wireless carriers through customer billing or other sources and approved by the program manager. (Code Section 34A.7A(2)(f)(3) and 34A.7A(2)(f)(3)(g))

### **Wireless E911 Next Generation and Texting**

On September 30, 2009, Iowa was allocated \$1.3 million in one-time federal grant money for Next Generation 911 (NG911). The grant was awarded by the U.S. Department of Transportation's Highway Traffic Safety Administration and the U.S. Department of Commerce's National Telecommunications and Information Administration. The federal funds must be expended by September 30, 2012. The grant requires a 50/50 State match. The match comes from the Wireless Carryover Fund per Code Section 34A.7A(3)(g). In addition, if other States don't meet the criteria and Iowa provides a supplemental request, Iowa could qualify for additional federal grant money.

The balance in the Carryforward Fund will be used for the NG911 network for recurring and non-recurring costs associated with the hardware and software for the new network. The Iowa Homeland Security and Emergency Management Division is upgrading the wireless E911 system to support the use of the NG911 emergency services IP-based system. The upgrade will put Iowa in the position to accept text, video, and picture messaging as it is made available from the wireless carriers to access emergency care via 911.

Telecommunications Systems Inc (TCS) was recently awarded a five-year contract and will begin work on the E911 Next Generation Project in the coming weeks. The total estimated cost for the project is \$2.7 million with \$1.3 million funded by grants through the U.S. Department of Transportation Highway Safety Administration and the U.S. Department of Commerce National Telecommunications and Information Administration. The required State match of \$1.3 million will come from the Wireless Surcharge Carryover Fund. The remainder will be used to pay additional network costs until the old network is disconnected. The two networks will run in tandem for approximately six months until the new network can be completely tested. The goal is to have the system complete by September of 2012.